RAJYA SABHA

Tuesday the 26th July, 1994/4th Sravana 1916 (Saka)

The House met at eleven of the clock Mr. Chairman in the Chair.

ORAL ANSWERS TO QUESTIONS

Functioning of united bank of India's zonal office at Guwahati

*21. SHRI DAVID LEDGER: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Zonal Office of the United Bank of India at Guwahati failed to fulfil its objectives due to apathetic attitude of the Bank's Headquarters at Calcutta; and

(b) if so, what steps are being taken to improve the situation and restore credibility of the Bank and the confidence of the employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) A Statement is laid on the Table of the House.

Statement

Functioning of United Bank of India's Zonal Office at Guwahati

(a) and (b) United Bank of India has reported that the operation of its Zonal Office at Guwahati has been hampered on account of logistic and infrastructural difficulties including absence of required commnuication facilities in the North East, as also shortage of man-power.

The bank has also reported that enhanced powers have been delegated to the Regional Managers and its is expected that the new set up will facilitate faster decision making and ensure improved customer service. The bank is making efforts to provide adequate man-power to the Zone consistent with the restructuring now under way in terms of the agreement recently entered into by the bank with the Reserve Bank of India.

The Leader of Opposition (SHRI SIKANDER BAKHT): All the ruling party banches are empty, Sir. (*Interruptions*).

SHRI GURUDAS DAS GUPTA: What about their own Members, Sir?

SHRI SIKANDER BAKHT: What has happened Sir? ..

घड़ी को दुरुस्त पीछे कर देनी चाहिए

†شری سکندر بخت : گھڑی کی سوئیاں پیچھے کر دینی چاہئیں۔

It is the clock which is wrong: The Congress can never be wrong, Sir.

श्रीमती सुषमा स्वराज : सरकार कितनी गम्भीर है (व्यवधान)

SHRI GURUDAS DAS GUPTA: Cabinet reshuffle was being discussed there.

SHRI DAVID LEDGER: The Zonal Office of the United Bank of India was set up in Guwahati in 1986. The idea initially was to decentralise the administrative and financial powers. A General Manager was put in charge of the Zonal Office and it was decided to evolve a system whereby the banking public could be served more efficiently. But, at a later stage, it was found out that instead of a General Manager, a Deputy General Manager was put in charge of the Zonal Office and subsequently, only an Assistant General Manager was seen running the Zonal Office. You will kindly appreciate that the Assistant General Manager does not and cannot exercise the powers of the General Manager. It was also found that

†[ ]Transliteration in Arabic script.

all the powers were continued to be exercised by the bank Headquarters at Calcutta. As a result the very purpose of setting up a Zonal Office at Guwahati to cater to the needs of the banking public of the entire North-East was frustrated. I would like to know from the hon. Minister (a) whether the Ministry will see to it that a fulfledged General Manager is put in charge of the Zonal Office at and insist on a regular review of the functioning of the Zonal Office; and (b) whether the Ministry will take all other remedial measures and actions so that the credibility of the Bank and also the confidence of the employees of the Bank is restored?

SHRI M. V. CHANDRASHEKHAR MURTHY: As for restructuring this Bank, which is part tf the MOU entered into with the Reserve Bank of India, the bank has decided to switch over to three-tier organisation from the existing four-tier organisation. The restructuring has been made effective from 16th March, 1994 and all seven Zonal Offices in the North Eastern States except Guwahati have been closed. But under the new detailed organisation there are several regional offices in the North-Eastern States and we have delegated enhanced powers to the Regional Managers. It is expected that the new set up will facilitate faster decision-making and ensure improved customer service.

SHRI DAVID LEDGER: Sir, the Minister in his reply has admitted that the operation of the Zonal Office at Guwahati has been hampered on account of logistic and infrastructural difficulties, including absence of required communication facilities in the North-East as also shortage of manpower. My information is that most of the branches of the United Bank of India in the North-East are badly in shortage of mapower. Most of the branches are under-staffed. About 150 posts of officers are lying vacant for the last three or four years. As a result of this, there is more work load on the existing staff. This has resulted in poor customer service. Most of the branches are operating with few hands and with less number of officials.

The Reserve Bank of India have issued instructions to open new branches under the Zonal Officer. But the instructions of the Reserve Bank of India have been violated by them. Practically, no new branches have been opened. As a result of this, the people of this region have also been deprived of job opportunities. The whole scenario smacks of an attitude of total apathy on the part of the management of the Bank towards the North-Eastern Region. I would like to know from the hon. Minister whether he is prepared to take drastic steps to bring about a change in the attitude of the Bank headquarters at Calcutta; (b) what steps the Government will take to improve the functioning of the bank in the North-Eastern Region for the benefit of the people; and (c) whether new branches will be opened in accordance with the guidelines given by the Reserve Bank of India.

SHRI M4 V. CHANDRASHEKHAR MURTHY: So far as the United Bank of India's expansion programme is concerned, they have opened 84 branches in the rural areas during the period 1985-90. About 160 posts are lying vacant. The hon. Member would appreciate that the North-Eastern Region is a very difficult area and sometimes officers and other staff of the Bank are reluctant to go to that area. The Government will make all efforts to supplement the strength of the staff and see that the customer service is improved in that area.

SHRI DAVID LEDGER: Sir, I would seek your protection. They are expected to fill up the vacancies in the North-East by promoting the officers from outside the Region. They are reluctant to go and join. Then, what is the difficulty in promoting local officers who are prepared to serve in the region? I would like to know from the Minister what the difficulty is.

SHRI M. V. CHANDRASHEKHAR MURTHY: Regarding recruitment of officers in the UBI, it is for the Banking Services Commission to look into it. They will decide about it.

SHRI DAVID LEDGER: Sir, I would like to get an answer from the hon. Minister on the floor of the House. I cannot go and ask an officer from the Banking Services Commission to do it. The Minister is supposed to give a reply in the House.

श्री ईश दत्त यादव : मान्यवर सभापति जी, हमारा इसी से संबंधित जनरल प्रश्न है वित्त मंत्री जी से। वित्त मंत्री जी ने यह स्वीकार किया है कि युनाइटेड बैंक आफ इंडिया का गोहाटी स्थित आंचलिक कार्यालय जो है, इसमें काम जो है वह शिथिल है और इसके लिए प्रयास कर रहे हैं। यह इन्होंने स्वीकार किया है। मैं मंत्री जी से यह जानना चाहता हूं कि क्या इनके पास इस तरह की सूचनायें हैं कि देश के अनेक अन्य बैंक इससे प्रभावित हैं, जिसमें सुचारू रूप से काम-काज नहीं चल रहा है ? इस तरह का क्या आपने कोई सर्वेक्षण कराया है ? और, अगर नहीं कराया है तो क्या भविष्य में कराने का आपका इरादा है ?

SHRI M. V. CHANDRASHEKHAR MURTHY: As per the existing Banking Regulation Act, the Reserve Bank of India supervises and monitor the functioning of the banks.

So far as the survey part is concerned, I have no idea. I will collect the information from the Reserve Bank of India and pass it on to the hon. Member.

श्री जनार्दन यादव : सभापति महोदय, मैं आपके माध्यम से मंत्री जी से जानना चाहता हूं कि असम, और असम में गोहाटी आतंकवाद से प्रभावित है, जिसके भय से बैंक में काम करने वाले कर्मचारी और पदाधिकारी वहां रहना नहीं चाहते, इस कारण उस कार्यालय का कार्य कलकत्ता से हो रहा है। तो क्या सरकार बैंक में काम करने वाले पदाधिकारियों और कर्मचारियों को भयमुक्त बनाएगी तथा जो बैंक के पदाधिकारी और कर्मचारी की कमी है उसकी बहाली कितने दिनों में की जाएगी ?

SHRI M. V. CHANDRASHEKHAR MURTHY: Sir, we all agree that working in the North-Eastern States is very difficult because of the present situation there. We have given all the protection to the bank employees who are working in those areas.

श्री जनार्दन यादव : महोदय, वहां मैन पावर कम है, उस की बहाली आप कब तक करेंगे ? बोलिए-बोलिए, मंत्री जी।

SHRI M. V. CHANDRASHEKHAR MURTHY: Sir, out of the total recruitment made in those regions, during the last two years, not less than 190 have been employed for the Guwahati Zone which is slightly more than 25 per cent. This indicates that the Bank has indeed considered the case of the Guwahati Zone very favourably, keeping in view the existing constraints on recruitment of staff. There is no backlog in the recruitment of the SC and the ST categories in this area. Further, incentives are also offered to its employees. The following categories of employees have been promoted during 1993-94 because it is a very difficult zone. Officers Scale III Middle Management and Scale IV Senior Management-11 have been promoted, Clerks to Officers—81 have been promoted; Clerks to Special Assistants—8 persons have been promoted; Sub-Staff to Clerks—65 persons have been promoted. Promotion in other categories of staff is under progress. This is like an incentive to the employee who work in the difficult area of the North-Eastern region.